GOVERNMENT OF THE PROVINCE OF MANITOBA

THE PUBLIC TRUSTEE OF MANITOBA

Auditor's Report and Financial Statements
for the year ended March 31, 1984

PROVINCE OF MANITOBA
PROVINCIAL AUDITOR

MANITOBA

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PROVINCIAL AUDITOR

THE PUBLIC TRUSTEE OF MANITOBA

REPORT OF THE PROVINCIAL AUDITOR'S OFFICE

We have examined the financial statements, being Exhibits A and B, of The Public Trustee of Manitoba for the fiscal year ended March 31, 1984. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of affairs of the estates and trusts under jurisdiction of the Public Trustee as at March 31, 1984 and the cash receipts and disbursements for the year then ended in accordance with the accounting policies stated in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

W. K. Ziprick, C.A.,
Provincial Auditor.

August 8, 1984
Winnipeg, Manitoba.

Exhibit A

GOVERNMENT OF THE PROVINCE OF MANITOBA

The Public Trustee of Manitoba

Balance Sheet of estates and trusts under administration
as at March 31, 1984
(with 1983 figures for comparison)

A S S E T S

	1984	1983
Cash on hand and in bank:		
General	$ 798,961	$ 216,651
Provincial funds	4,718	4,395
	803,679	221,046
Expenditures recoverable from estates and trusts (Note 1)	2,782	3,104
Common fund investments (Notes 1 and 6)	41,761,100	34,649,886
Term deposits and investment certificates, at par value	2,529,076	3,659,563
Government of Canada and other bonds, at par value	12,468,316	9,950,918
Shares of capital stock and mutual funds (Note 1)	946,067	463,125
Annuity contracts (Note 1)	100,023	133,150
Accounts receivable (Note 1)	85,003	94,948
Rentals receivable (Note 1)	2,524	2,889
Notes receivable, principal (Note 1)	105,468	58,560
Mortgages and agreements receivable (Note 1)	100,165	158,698
Interests in other estates (Note 1)	4,118	3,562
Real estate (Note 1)	3,110,780	3,045,713
	$ 62,019,101	$ 52,445,162

L I A B I L I T I E S

	1984	1983
Liabilities of estates:		
Mortgages, notes and agreements payable (Note 1)	$ 1	$ 1,145
Public Trustee, fees payable (Note 2)	13,070	7,843
	13,071	8,988
The Province of Manitoba:		
The Public Trustee accountable advance	7,500	7,500
Estates and trusts under administration: (Note 1)		
Excess of recorded value of assets over liabilities:		
The Mental Health Act	42,288,782	36,263,448
The Public Trustee Act	19,709,748	16,165,226
	$ 62,019,101	$ 52,445,162

Exhibit B

GOVERNMENT OF THE PROVINCE OF MANITOBA

The Public Trustee of Manitoba

Statement of Receipts and Disbursements
for the year ended March 31, 1984
(with 1983 figures for comparison)

RECEIPTS

	1984	1983
Funds held by estates and trusts brought under administration	$ 4,450,756	$ 4,521,321
Realization of equities in other estates	579,015	508,130
Pensions, compensation and assistance	7,351,622	7,076,205
Sickness, disability and other insurance benefits	1,931,674	1,341,698
Collections on account of:		
Accounts receivable	90,091	52,043
Rentals and leases receivable	230,227	173,237
Mortgages and agreements receivable	22,311	14,444
	342,629	239,724
Sale of chattels	143,312	130,346
Sale of real estate	1,069,406	955,695
Interest - bonds and investment certificates	6,068,906	6,032,848
Dividends	37,238	31,549
Bank interest	6,877	4,750
Statutory fees collected (Note 3)	20,446	8,502
Total receipts	22,001,881	20,850,768
Cash on hand and in bank at beginning of year	216,651	312,195
	$ 22,218,532	$ 21,162,963

DISBURSEMENTS

	1984	1983
Payments on account of:		
Accounts payable discharged	$ 110,075	$ 66,296
Mortgages and agreements payable	37,147	55,125
Real estate purchases	16,045	1,240
	163,267	122,661
Maintenance:		
Maintenance incurred in hospitals prior to June 30, 1958	510,509	405,215
Board, room and other expenses (Note 4)	5,312,465	4,715,220
	5,822,974	5,120,435
Preservation of estates:		
Realty and income taxes	616,841	618,047
Insurance	24,954	23,146
Repairs	54,244	27,607
Sundry	386,229	361,012
	1,082,268	1,029,812
Support of dependents	96,988	65,333
Administration and passing of accounts (Note 2)	1,449,571	1,356,097
Burial expenses	404,590	383,540
Estates and trusts released from administration	4,759,105	4,282,384
Statutory fees remitted (Note 3)	20,446	8,502
Total disbursements, before purchase of securities	13,799,209	12,368,764
Purchase of securities, less sale or redemption of securities (1984 - $28,793,603; 1983 - $38,823,492)	7,620,362	8,577,548
Cash on hand and in bank at end of year	798,961	216,651
	$ 22,218,532	$ 21,162,963

GOVERNMENT OF THE PROVINCE OF MANITOBA

The Public Trustee of Manitoba

Notes to Financial Statements
March 31, 1984

1. Significant Accounting Policies

The Statement of Receipts and Disbursements reflects cash transactions which have occurred during the year for estates and trusts under administration.

The Balance Sheet reflects a position on a modified accrual basis including all known assets and liabilities of the estates and trusts, except for chattels which are accounted for by unit records and accrued investment earnings and current liabilities which are accounted for on a cash basis.

The net recorded value of the estates and trusts under administration is governed by the valuation criteria described on the Balance Sheet as well as the following evaluation and accounting policies:

a) Expenditures Recoverable from Estates and Trusts

Expenditures recoverable from estates and trusts represent disbursements made on behalf of estates or trusts for which funds were not immediately available; these expenditures will be charged to the estates or trusts concerned in due course, when funds become available.

b) Common Fund Investments

Investments of the common fund, established pursuant to Section 7.1(1) of the Public Trustee Act, are restricted to securities and loans authorized under the Trustee Act. Common fund investments are recorded at cost, adjusted for the amortization of premiums or discounts on purchase on a straight line basis over the remaining term to maturity of the security. Earnings are distributed semi-annually to the individual estates and trusts on a pro rata basis.

c) Shares of Capital Stock and Mutual Funds

(i) Mental Health and Infant Trusts

The basis of valuation of shares assumed under administration prior to December 22, 1971 is at Valuation Day prices (market value as at December 22, 1971), except shares for which no Valuation Day price exists. Shares are then recorded at cost, if available, or at a nominal value of $1.00.

Shares assumed under administration since December 22, 1971 have been recorded at the market value as at the date of assumption or at a nominal value of $1.00 where market value is not readily available.

All shares purchased by the trustee are recorded at cost.

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The Public Trustee of Manitoba

Notes to Financial Statements
March 31, 1984

c) Shares of Capital Stock and Mutual Funds (continued)

(ii) Estates of Deceased Persons

Shares forming part of estates of deceased persons assumed under administration have been recorded at the market value as at the date of death. Shares purchased by the Public Trustee are recorded at cost. Where no market value exists, nominal values of $1.00 are used.

d) Annuity Contracts

Annuity contracts include several accounts recorded at a nominal value of $1.00 each.

e) Accounts Receivable and Rentals Receivable

Accounts receivable and rentals receivable include several accounts recorded at a nominal value of $1.00 each.

f) Notes, Mortgages and Agreements Receivable

Notes receivable and mortgages and agreements receivable reflect the amount of principal and interest due and unpaid at the time each estate was brought under administration, less any payments subsequently received. Interest due and accrued during administration is not recorded by the Public Trustee until such time as it is received.

g) Interests in Other Estates

Interest in other estates include several accounts recorded at a nominal value of $1.00 each.

h) Real Estate

Real estate is valued at a multiple of five times the assessed value on the property tax notice; burial plots, mines and mineral rights, and mobile homes have been recorded at a nominal value of $1.00 each.

i) Mortgages, Notes and Agreements Payable

Mortgages, notes and agreements payable have been recorded in instances where the possibility exists that payments may be made on account of these liabilities. There is one exception which has been recorded at a nominal value of $1.00 because required payments are being made by a third party. Interest due and accrued during administration is not recorded until it is paid.

GOVERNMENT OF THE PROVINCE OF MANITOBA

The Public Trustee of Manitoba

Notes to Financial Statements
March 31, 1984

2. Administration Fees

Under Section 10 of the Public Trustee Act, the Public Trustee may determine reasonable charges based on the services provided to the estates and trusts under his administration. Charges are made annually on the aforementioned basis to each estate and trust on its anniversary date of enrollment with the Trustee, except those estates and trusts which do not have sufficient funds, where the charges are either reduced or not made. These fees are remitted to the Province of Manitoba.

3. Statutory Fees

Under Section 84(3) of the Queen's Bench Act and Section 82 of The Surrogate Courts Act, the Public Trustee of Manitoba provides legal services for estates and trusts not under his administation. Fees for these services are recorded as receipts and remitted to the Province of Manitoba.

4. Board, Room and Other Expenses

Board, room and other expenses reflect payments made for current general living expenses, including clothing, comforts, medical, nursing home costs, etc., during periods of supervision, probation and hospitalization.

5. Administration Costs

Administration costs of the Public Trustee of Manitoba are paid out of appropriations of the Department of Attorney-General and are not reflected in these financial statements. Where appropriate these costs are recovered from estates and trusts in a manner as explained in Note 2.

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Notes to Financial Statements
March 31, 1984

6. Common Fund - Summary of Investments

The investments of the Common Fund consist of the following:

	1984 Par Value	1984 Book Value	1983 Book Value
Term deposits, investment certificates and treasury bills	$ 4,900,000	$ 4,900,000	$ 8,796,395
Government of Canada bonds	26,615,000	26,849,743	21,721,094
Province of Manitoba bonds	4,150,000	4,137,590	2,135,376
Province of Ontario bonds	1,900,000	1,892,232	-
Canadian Imperial Bank of Commerce bonds	2,000,000	2,008,284	-
Ontario Hydro-Electric bonds	1,250,000	1,273,251	1,297,021
B.C. Housing and Employment Development Financing Authority bonds	700,000	700,000	700,000
	$ 41,515,000	$ 41,761,100	$ 34,649,886